

TELLS OF DEEDS OF ITALY IN WAR

Officials of Nation, in Statement, Review Accomplishments of Year.

GENERAL CADORNA IS LAUDED

Said to Have Transformed Army Into a Powerful, Efficient Organization.

ROME, July 29.—Complying with a request of the Associated Press, the Italian authorities have prepared a statement reviewing the past year of war from the Italian viewpoint. Although the anniversaries that are marked by the early days of August close the second year of the war for Germany, Austria-Hungary, Russia, France and Great Britain, Italy has only a little more than passed the first anniversary of her participation in the conflict, which began May 23, 1915. But in the view of the Italian authorities, Italy's alignment with the entente powers has been no small factor in checking the successes of the central powers.

In the statement officially prepared for the Associated Press, great praise is bestowed on General Cadorna, the Italian chief of staff, as "a powerful organizer and cautious strategist," who is declared to have conducted his campaign against Austria with a view to rendering the greatest possible aid to the entente allies. It is asserted that the early reverses of the Russians might have run into complete disaster if Italy had not just at the time of the Russian retreat entered the conflict and forced Austria to employ a vast number of her troops on the southern front. Further, the offensives which the Italians have launched from time to time rendered it impossible for Austria to carry out her purpose of sending troops and artillery either to the aid of the German Crown Prince for the attack on Verdun or to fight the Russians.

As given out, the Italian statement reads as follows:

"The war which Italy is fighting with her allies is imperfectly understood abroad in its ideals as well as in its technical development, thus needing explanations even after a year of Italy's participation in the conflict. "When the European war began Italy held back for ten months, respecting the alliance which for a third of a century had bound her to the central powers. But longer than this she could not disregard the call of the entente powers. They were fighting for a principle of nationality to which Italy is indebted for her existence. They were fighting for principles of law and justice of which Italy has been an exponent since the time of the Romans.

"Furthermore, Italy could no longer delay solution of the question of the Italian provinces that were still subject to persecution by Austria. It was imperative that Italy should contest the frontier imposed by Austria after the war of 1856, which gave her northern neighbors possession of all the gates and passes leading into Italy. It was imperative also that Italy should gain supremacy in the Adriatic, without which she could never be said to enjoy liberty and peace in full security.

CADORNA CALLED POWERFUL ORGANIZER

"Although unprepared for war, we fortunately possessed in General Cadorna a powerful organizer and a cautious strategist. Taking the Italian army on its modest peace footing as a backbone, he transformed it, through miracles of energy and military science, into a powerful, efficient, brilliant modern army, which on May 24, 1915, the day after war was declared on Austria, suddenly threw itself across the whole frontier into the enemy's territory.

"Doing this General Cadorna won two principal advantages: first, he gained the initiative of action; second, he made Austria the scene of the warfare. Throughout the campaign Cadorna aimed to render his allies the greatest possible services.

"Italy began her operations just at the time when the Russians were obliged to retreat. The strong army which Cadorna threw across the northern border menacing Austria may have saved that Russian retreat from a complete disaster. Similarly, when the Germans attacked Verdun, Cadorna started a strong offensive along the Isonzo River, which prevented Austria from sending to the aid of the German Crown Prince large numbers of troops and artillery which had been prepared for that purpose.

"Equal advantages have recently been obtained by Austria's temporary invasion of a small section of the Italian Trentino front in the Asiago district. If Austria had not centered all her forces in this enterprise, it would have been much more difficult for Russia to launch the marvelous offensive which she is now conducting. Profiting by the situation, General Cadorna attacked the Austrians so energetically that their removal from the Alps to the Carpathians to fight the Russians has been out of the question.

"If Albania General Cadorna likewise aided our allies. It being materially impossible to save Serbia and Montenegro, he transformed the Albanian seaport of Avlona into an impregnable entrenched camp, threatening and checking the Austrians in the same manner that the allied troops at Saloniki have held back the Bulgarians. "Above all others in this war stands our King, modest soldier and fervent patriot. He and King Albert are the only sovereigns in this war who have never abandoned their places at the front.

"The difficulties of the war which Italy is waging may be understood only by visiting our battle fronts. They are stretched along the highest altitudes, at which warfare has ever been known. With all the advantageous positions in

SIR JOHN JORDON NOW RESTORED TO OLD PLACE

Once More Is Head of Diplomatic Corps at Capital of China.

NEW PRESIDENT'S TROUBLES

Empty Treasury and Thousands of Unpaid Soldiers Hamper Li Yuan Hung in Efforts to Put Republic on Peaceful Footing.

PEKING, July 29.—When Li Yuan Hung, the new President, received the foreign representatives in official audience for the first time on June 13, Sir John Jordan, British minister, who is dean of the diplomatic corps, acted as spokesman for the entente ministers, a fact that has caused considerable favorable comment on the part of Chinese papers.

The Peking Daily News says: "We have much pleasure to record that the most significant event in the first official reception of the new President to the foreign representatives in Peking is the restoration of Sir John Jordan, the British minister, to his honored position as dean of the diplomatic corps of recognized leadership. During the audience Sir John Jordan acted as spokesman for the ministers of the allied powers, which means a change of the relations of Great Britain and Japan towards China. The reassertion of the diplomatic precedence by the British minister is heartily welcomed by the enlightened class of Chinese who do not like to witness the pushful and forward actions of the Japanese representative."

Four of the foreign advisers of President Li Yuan Hung, Dr. W. W. Willoughby and Dr. Jeremiah W. Jenks, both Americans; Dr. George E. Morrison, an Englishman; and Dr. N. Ariga, a Japanese, have had many conferences with the President since he entered upon his new office. These advisers have frequently suggested to him that it is desirable, in their opinion, to return at once to the Nanking provisional Constitution, the original Constitution of the republic, and call a legislative body at the earliest possible moment.

While Li Yuan Hung is inclined to act upon this advice, he is opposed in this by several members of his cabinet. Yuan Shi Kai ruled China almost entirely by mandate. Absolute power was vested in him under the so-called provisional compact, which he enacted to replace the Nanking provisional constitution. The arbitrary action of Yuan Shi Kai caused so much resentment among progressive Chinese that many of the Chinese advisers of Li Yuan Hung urge he should avoid government by mandate as far as possible and endeavor to turn legislative power over to an assembly or parliament.

China's empty treasury and thousands of unpaid soldiers are a terrible stumbling block to the new President in his effort to put the republic on a peaceful and substantial footing.

WANT TO MAKE CHINA REORGANIZATION LOAN

Japanese financiers are striving to make China a reorganization loan of 100,000,000 yen, or about \$50,000,000. Li Yuan Hung is unwilling to accept this financial assistance from Japan, and favors the various American groups which are endeavoring to underwrite a reorganization loan for China.

Were the new President to accept Japanese assistance, he probably would provoke a storm of disapproval which might result in his unseating. The feeling is far more friendly towards the Americans, and the negotiation of a loan through American financial institutions, which are considering the reorganization of China's finances, would do much to allay the general apprehension concerning possible Japanese aggression in China.

Although no official reports have been made concerning the financial conditions of the two Chinese national banks, the Bank of Communications and the Bank of China, they are still unable to resume specie payment, and the partial moratorium declared by the Chinese government is still in force.

Efforts of the government to prevent the notes of the two banks falling below par have been futile. Bank notes are now hawked about at discounts varying from 10 to 20 per cent. Japanese banks have bought in large quantities of the depreciated notes, and there is a general apprehension that Japan may make a demand for specie payment upon these notes at face value.

PLEA FOR CASEMENT

Senate Asks President to Express Hope That British Government Will Exercise Clemency.

WASHINGTON, July 29.—By a vote of 46 to 19 the Senate today adopted a resolution requesting President Wilson to transmit to the British government an expression of hope that it would exercise clemency in the treatment of Irish political prisoners. By its action the Senate overturned the report of a majority of its Foreign Relations Committee and followed a course outlined in a minority report made by Chairman Stone and Senators O'Gorman and Pittman.

SUBMARINE ATTACKS LINER

The Re d'Italia Brings Defensive Guns Into Play, and German Boat Is Driven Off.

ROME, July 28 (delayed in transmission).—The Re d'Italia, a 6,237-ton vessel, of the Italian Lloyd Sabaudo Line, was attacked by a Teutonic submarine at 9 o'clock in the morning of July 23, while the steamer was on a voyage from Genoa to New York. The defensive guns with which the vessel was equipped were brought into play, and the submarine was driven away. The liner then proceeded on her way to America.

COULD TURN OUT MANY WAR GOODS

Attempt to Inventory Resources of Country Virtually Completed.

ALL THE STATES COVERED

Information Is Obtained From Thousands of Manufacturing Concerns.

WASHINGTON, July 29.—The colossal task of making an industrial inventory of the United States, State by State, in an attempt to mobilize America's resources for war, is now virtually completed, according to an announcement today by Chairman Howard E. Coffin, of the committee on industrial preparedness of the Naval Consulting Board of the United States, who has the work in charge. Just how plants the country over can adapt their equipment to produce the thousands of things, from shells to shaving brushes, necessary for the government's use in a national emergency has been worked out with the most extreme care through field reports from engineers and chemists who are members of the American Society of Civil Engineers, American Institute of Mining Engineers, American Society of Mechanical Engineers, American Institute of Electrical Engineers and American Chemical Society.

Coincident with the announcement comes the statement from Chairman Coffin that Congress has practically completed legislation which will carry out the committee's entire program for establishing a firm and enduring foundation for the nation's defense. This will provide for the sending of annual educational orders to American manufacturers, in order to teach them during peace how to turn out the military and naval supplies needed in an emergency. An industrial reserve will also be created, so that in time of war the skilled mechanic may be kept at work, where his services are most valuable, instead of being sent to the firing line.

Both the inventory and the legislation growing out of it are the result of a remarkable three-months' campaign made by a volunteer unpaid organization of business men and engineers. It marks a new era in the relations of the engineer, the manufacturer, and the citizen generally in the safeguarding of the national government, as well as a much closer coordination between various governmental agencies. In many states undeveloped resources have been classified and given publicity and new industries are promised as the result of information gathered.

INDUSTRIAL MEN SHOW SPIRIT OF CO-OPERATION

Business men the country over received the inventory card with the greatest courtesy and co-operation. In only a few cases did they refuse to give the desired information, and then usually under a misunderstanding of the committee's plans, which was quickly cleared up. Over 30,000 concerns, each doing an annual business of over \$100,000 were classified, in addition to many smaller plants with equipment peculiarly suited to turn out material for the fighting line. At the time of the Mexican crisis, Chairman Coffin sent out urgent telegrams to the chairmen of all State boards urging all possible haste, and Secretary of War Baker detailed five regular army officers, two of them members of the general staff, to the committee headquarters in New York. Instances from State reports follow:

From Alabama, Chairman Sewell, while reporting considerable apathy towards military affairs, says that transportation, manufacturing and particularly mineral problems, with special reference to coke deposits for high explosives, have been gone into carefully. He believes this will be of incalculable benefit in classifying great undeveloped resources, particularly in Northern Alabama.

Arizona, the first State to complete its return, offered splendid co-operation, according to Chairman John C. Greenway, who said the manufacturers looked upon the annual educational orders with great favor.

Colorado will be greatly benefited by the survey, according to Chairman R. B. Moore, as local industry will be able to develop much greater elasticity and many new resources. It now unknown what the report of Chairman Samuel Ferguson, of Connecticut, reports that manufacturers there at first looked askance at the plan, owing to previous unsatisfactory business relations with the government, but that this had been broken down by personal contact.

A permanent co-operation, new in government affairs, between the military service, the technical bureaus of the government and the committee, has been the direct result in the District of Columbia, according to Chairman Parsons. The development of a charcoal industry in Florida, where none almost none is produced, is foreshadowed in the report of Chairman McLean, of that State.

Illinois presented one of the heaviest tasks of the survey, for in Chicago alone over 500 chemical and metallurgical plants had to be inventoried. Chairman Frederick K. Copeland spoke enthusiastically of co-operation extended by the Chicago Association of Commerce and the Illinois Manufacturers Association.

Indiana, according to Chairman Barnard, can supply enough canned food for any army that the country could ever put into the field. In addition, there are large supplies of meat, hardback and biscuits, as well as acid and automobile plants convertible to munition manufacture.

MANY LARGE PLANTS INVENTORIED IN KANSAS

Chairman Wilcox, of Iowa, reports that a surprisingly large number of industrial plants have been inventoried in that great agricultural State, especially railroad shops, Kansas.

BATTLE CHANGES OF 2ND YEAR OF WAR.



Scores Subordination of Individual Rights to Those of State

Dr. Nordau Says Civilization Is the Liberation and Exaltation of Personality.

BY DR. MAX NORDAU, CHAPTER II.

[This is the second and concluding of two articles by Max Nordau, the eminent scientist and historian, condemning the fetish of "organization," written for the International News Service. They have heightened interest because Dr. Nordau was interned by the French on account of his Teutonic birth, and only recently was paroled in recognition of his distinguished services. He is now in Madrid.—Editor.]

The end of the state cannot be war, for if it were, the state would disavow itself and baffle its own purpose and function. We need not take literally either the philosophy of Hobbes or that of Jean Jacques Rousseau. We need not believe, with the former, that the primitive condition on earth was war of everybody against everybody, and that men clubbed together and formed a state in order to obtain peace, nor need we affirm with the latter that the political body is the outcome of a formal and explicit social contract whereby men seek to safeguard their life and property and to substitute law and justice for violence.

We must admit that the principle underlying the state is peace, order and right, consequently the contrary of war. The only justified war is a defensive one against an unprovoked assault. Except in this case, there is no war which is not a negation of the ethical law and felony against the majesty of humanity.

And now, if the end of the state is not war, there remains no reasonable argument in favor of the negation and curtailing of the sovereign dignity of the individual.

IS THE ONLY REALITY

It is untrue that the state is the only reality. The state is a mental conception; the only reality is the living, feeling, suffering, acting individual. The individual has given birth to the state; if then the state turns against him, ill-treats him, oppresses him, murders him, it commits parricide, nothing more nor less.

Perhaps the worst aberration of the minds upset by the war is the attempt made by sophists to make (by means of pseudo-philosophical babble) the violation of the individual by the state appear as a progressive step in civilization. This is what the professor of chemistry, William Ostwald, has had the audacity to do. In lectures delivered at Berlin and Stockholm, in pamphlets, in magazine articles, he has propounded this thesis:

"The peoples around Germany still occupy the level of individualism, while we now have risen to the higher cultural plane of organization. This enables us to unite the individually produced work of the single toiler, and thereby to enhance its usefulness to the nation as a whole."

And so, the unreserved confiscation

SITUATION CHANGES IN SECOND YEAR OF EUROPEAN WAR

Period Closes With Concerted Effort of Allies to Crush Germany.

TEUTONS, FOR FIRST TIME, ARE ON THE DEFENSIVE

Battles of Champagne and Verdun and Opening of the Somme Offensive Chief Events.

COST IN MEN HARD TO TELL

All Belligerents Have Ceased Issuing Casualty Lists for Public Consumption.

The second year of the world war closes with the "battle of Europe," a concerted effort of the allies on three fronts to crush the central powers, which has developed into a titanic struggle, before which superlatives, already exhausted, are completely beggared.

France and Great Britain in the west, Russia in the east, Italy in the south, are hurling wave after wave of armed men on the Teutonic lines, together with an avalanche of shells and bombs such as the world has not known up to the present time. For the first time the Teutons are, temporarily at least, on the defensive on the thousands of miles of the existing battle fronts.

The change in the situation which the year has brought is striking, although the results so far have been more potential and spectacular than radical. A year ago the Germans, continuing their great drive against the Russians, hurled the Slavs back along the entire eastern front, captured Warsaw, the great fortresses of Kovno, Novo Georgievsk and Brest-Litovsk and established lines far inside Russian territory, which they maintained had been known up to this time, the last three months. They seized all Poland, a great slice of Russia to the south of that country and expelled the invaders from Galicia and Bukovina. Field Marshals von Hindenburg and von Mackensen were the heroes of these great successes.

On the western front the changes in position during the year were comparatively small, but the twelve months were marked by three events of the greatest importance. The battles of Champagne and Verdun and the opening of the great Franco-British offensives on the Somme took place in this period.

The battle of Champagne opened on September 25, after a week's terrific bombardment of the German lines by the French, British and Belgians. In a week of the bloodiest fighting that had been known up to this time, the allies announced that they had taken twenty miles of trenches, six towns and 23,000 prisoners. But there they halted. They could not break through the mighty German wall, and the grim deadlock which marked the western front for so many months was resumed.

The battle of Champagne marked the removal of Sir John French, the British commander-in-chief from the beginning of the war up to that time. In December, 1915, it was announced that he had resigned to take a home command, and Sir Douglas Haig was appointed his successor.

BATTLE OF VERDUN

In sheer human interest the battle of Verdun probably surpassed all other individual events of the war. On February 23 the German Crown Prince began the assault on the historic French fortress, known throughout many centuries as the gateway to France. For five months the defenders withstood a storm at the fury of which the world stood aghast. Foot by foot, almost inch by inch, the Germans forged forward, with a reckless disregard of their lives, a tenacity and cool courage which was fully equalled by the heroic determination of the French. On June 3 an unofficial estimate of the German losses at Verdun placed the total at the appalling figure of 450,000. The assailants fought their way to within about three and a half miles of the fortress, but for several weeks have reported no further progress, and the force of their attacks appears to have lessened.

The Franco-British offensive on the Somme opened on July 1, 1916. It was preceded by a bombardment of unparalleled duration and intensity, featured by the appearance of new and gigantic British howitzers. Under this awful hurricane of big-gun fire the German first-line defenses crumbled.

When the British and French troops advanced they reported that they found trenches in which there was not a single survivor, only the dead gazed at the silent rifles and machine guns. German first lines were carried over an extent of twenty-five miles, and the second positions pierced at certain points, but up to the present the fighting has been indecisive in so far as the forcing of the Germans to withdraw their main lines is concerned. The fighting has been of the bitterest possible description, and the reports of press correspondents at the front team with accounts of the most amazing heroism and devotion on both sides. Instances have been recorded of the sole survivor of a company, wounded and without hope, who manned a machine gun and fought to the last amid the bodies of his comrades; of isolated detachments who stood off many foes for days until succor reached them, or death; of captured surgeons who bound up the wounds of their captors; of heroic rescues of wounded comrades under fire, and of countless similar deeds that thrilled the watching world.

The first move in the great allied

DISCUSS RESUMPTION OF SUBMARINE WARFARE

In Response to Clamor, German Cabinet Takes Up Matter at Meeting.

OPPOSED BY CHANCELLOR

Von Bethmann-Hollweg and Other Members Express Opinion That It Is Absolutely Vital That United States Should Not Be Offended.

PARIS, July 29.—In response to the clamor for the resumption of submarine warfare to its fullest extent, in spite of the assurance given to the United States, Chancellor von Bethmann-Hollweg recently called a secret meeting of the cabinet, in which the leaders of the parties in the Reichstag, from Conservatives to Socialists, were invited to take part, according to a report received here.

The Chancellor began by telling of the pressure which was being exerted upon him by the extremists of the navy league. He said these people maintained that the United States was too busy with Mexico and her presidential election campaign to raise any serious objection to a new submarine warfare in the most extreme form by a nation aroused to desperation by England's attempt to starve it into submission.

The Chancellor immediately added that he himself was of a different opinion, and emphatically declared that it was of the utmost importance to Germany not to add to the ill-feeling against her in the United States, a power evidently destined to play a very important part during peace negotiations. This was all the more important, he continued, as Germany at the present moment was in a very bad position. She could hold out, of course, for many months yet, but certainly no longer than March, 1917, and this would mean great and almost superhuman efforts and almost unburgeable sacrifices on the part of her people.

Almost daily, the Chancellor said, he received visits from representatives of Austria-Hungary and Turkey, who threatened that their countries would desert Germany and conclude a separate peace in case of the resumption of submarine warfare, as this would mean that the United States and the entente powers would paralyze their shipping after the war.

The Chancellor then appealed to Admiral von Capelle to give an expert opinion on the chances of success of a new submarine campaign of "frightfulness," and in reply the admiral said that Germany possessed only a small number of large seagoing submarines, divided into four squadrons, of which one was almost constantly under repair, the majority of the submarines being only available for coast defense. The Conservative party, he knew, was constantly clamoring for the construction of more large submarines, but such construction was necessarily slow for the lack of materials.

SAYS GERMANY IS ABLE TO HOLD OUT FINANCIALLY

The Minister of Finance, Dr. Helfferich, when questioned, said that he was absolutely confident of Germany's ability to hold out financially as long as the war lasted, but with peace would come the deluge, and he did not see how bankruptcy was to be avoided.

Herr von Jagow, Minister of Foreign Affairs, strongly endorsed the Chancellor, and declared that it was absolutely

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